



Kenai Peninsula Borough Comprehensive Economic Development Strategy 2019

Kenai Peninsula Economic
Development District

In Partnership with the University of
Alaska Center for Economic Development



Executive Summary

This Comprehensive Economic Development Strategy (CEDS) for the Kenai Peninsula Borough is the result of a region-wide, public planning effort led by the Kenai Peninsula Economic Development District (KPEDD). It sets a vision for the economic growth of the region from 2016 to 2021, and serves as the action plan for KPEDD as the primary entity responsible for economic development initiatives for the Borough as a whole. The CEDS is updated annually to reflect measurable progress and evolving directions.

The CEDS provides an overview of the economic, demographic, and employment trends of the region, places its unique geography in context, and reviews the strengths, weaknesses, opportunities, and threats. Using this background information collected from public datasets and extensive public outreach, the document then lays out the goals, objectives, and strategies for the five-year period, with an eye toward the resiliency of the region as it faces downturns in the oil and gas industry along with declining state funds.

The Kenai Peninsula Borough is in some respects a microcosm of Alaska as a whole. Its landmass hosts glacial rivers, mountain ranges, spruce forests, and coastal fjords—a sampling of the state’s varied geography. The region’s economy is likewise home to a large resource sector (fisheries, oil, and gas mostly) and a substantial visitor industry built around access to wilderness amenities. Peninsula communities range from rural and remote to urban and well-connected with highways and broadband internet. Statewide concerns like the potential liquefied natural gas (LNG) pipeline and 2014-15 decline in oil prices loom large in the Borough. However, the region is unique in several respects, including a rapidly aging population and relatively low public sector employment with no military bases and few state employees. In both its challenges and opportunities, the Kenai Peninsula Borough exhibits both strong resemblances and notable contrasts to Alaska as a whole. The CEDS attempts to capture these unique conditions and incorporate them into a comprehensive plan for future growth.

The Kenai Peninsula Economic Development District

“To attract, grow, and retain business and industry on the Kenai Peninsula that will enhance the vitality and quality of life in our communities.” –KPEDD Mission Statement

KPEDD is a 501C (4) non-profit regional economic development organization. Established in 1988, KPEDD serves the residents and communities of the Kenai Peninsula Borough in Southcentral Alaska.

As the first federal Economic Development District designated in Alaska, as well as the first Alaska Regional Development Organization or ARDOR, KPEDD has actively pursued development opportunities for the region. Over its lifetime, KPEDD has been involved in a variety of projects including public works advocacy, shellfish industry development, international trade, promotion of a North Slope Natural Gas Pipeline to Cook Inlet, building infrastructure, industry recruitment, and business retention and expansion (BR&E).

KPEDD, with funding provided by the Kenai Peninsula Borough, US Economic Development Administration, compiles and publishes the Kenai Peninsula Borough CEDS. This document represents the most recent update, annually updating and revising the 2016 document.



CEDS Strategy Committee

The KPEDD staff and the University of Alaska Center conducted the CEDS process for Economic Development (UACED), under the general direction and guidance of the KPEDD Board of Directors. The Board also formed the core of the CEDS Strategy Committee, which convened bi-monthly from July 2016 until June 2017, along with a full-day strategy session on March 15, 2016. The Board consisted of the following individuals:

Current KPEDD Board Members:

- Todd Smith, Kenai, Business Owner
- Bruce Richards, Soldotna, Central Peninsula General Hospital
- Tim Redder, Kenai, Banking
- Rachel O'Brien, State of Alaska
- John Czarnecki, City of Soldotna
- Hal Smalley, Kenai Peninsula Borough Assembly
- Karin Marks, Homer, Private Industry
- Bryan Zak, Alaska Small Business Development Center
- Chris Hough, Private Industry
- Cassidi Cameron, City of Seldovia
- Kelley Lane, Seward Assembly
- Elizabeth Appleby, City of Kenai
- Shawn Butler, Community of Hope

KPEDD Staff:

- | | | |
|------------------------------------|----------------------|--|
| • Tim Dillon, Executive Director | (907)283-3335 Ext. 2 | tim@kpedd.org |
| • Caitlin Coreson, Program Manager | (907)283-3335 Ext. 1 | caitlin@kpedd.org |



Process

The Kenai Peninsula Borough CEDS was developed in accordance with the U.S. Economic Development Administration's guidelines, with KPEDD Executive Director Tim Dillon overseeing its completion. UACED conducted the background research, coordinated the public process, facilitated the creation of the action plan, and drafted the original 5-year planning document, with annual updates drafted by KPEDD staff. Wherever possible and practical, the Executive Director and Board members participated in community forums and industry focus groups. They also provided extensive feedback and input on various drafts of the document.

FY2019 Community Update Presentations:

- August 15, 2018 – Soldotna City Council
- August 27, 2018 – Homer City Council
- September 18, 2018 – Seward City Council
- September 28, 2018 – Seward Chamber of Commerce
- October 3, 2018 – Kenai City Council
- October 9, 2018 – Kenai Peninsula Borough Assembly
- October 11, 2018 – Homer Rotary
- October 22, 2018 – Seldovia City Council
- November 20, 2018 – Kenai Peninsula Borough Assembly
- November 28, 2018 – Soldotna City Council
- December 5, 2018 – Kenai Chamber of Commerce
- January 9, 2019 – Industry Outlook Forum
- January 15, 2019 Homer Chamber of Commerce
- January 24, 2019 – Soldotna Rotary
- February 5, 2019 – Kenai Peninsula Borough Assembly
- February 22, 2019 – Kenaitze Indian Tribe
- March 5, 2019 – Kenai Peninsula Borough Assembly
- March 7, 2019 – Alaska State Senate
- May 7, 2019 – Kenai Peninsula Borough Assembly

Goals and Action Plan

The Kenai Peninsula Borough is a collection of diverse and vibrant communities where citizens have year-round employment opportunities; businesses have access to a highly skilled, trained, and educated workforce; residents and visitors can enjoy the unique mix of urban and rural recreation activities; and responsible city and Borough management promotes economic growth and diversification. –Kenai Peninsula CEDS Vision Statement

Through the participatory process described, the CEDS team identified six major goal areas summarized below. These goals attempted to holistically address the future economic needs of the Kenai Peninsula as a diversified, thriving region with adequate job opportunities and a uniquely Alaskan lifestyle. Each goal was matched with a series of actions, metrics, and partner organizations.

These goals reflect the overall needs of the Borough as described by community forum participants, background research, and the SWOT analysis as the best way to maximize the assets of the region while mitigating potential areas of weakness.



| | |
|---------------------------------------|---|
| Regional Partnerships | <ul style="list-style-type: none"> • Build ties to industry associations and communities • Coordinate region-wide economic development with communities |
| Infrastructure and Technology | <ul style="list-style-type: none"> • Industry focused infrastructure • Transportation infrastructure • Expanded broadband access |
| Workforce and Human Capital | <ul style="list-style-type: none"> • Industry partnerships and voc-tech • Workforce attraction and retention |
| Business Climate and Entrepreneurship | <ul style="list-style-type: none"> • Strengthen existing businesses through business retention and expansion • Promote responsible development • Develop entrepreneurial ecosystem |
| Quality of Place | <ul style="list-style-type: none"> • Develop Kenai Peninsula "brand" for residents, visitors, and businesses • Promote expansion of recreational amenities and public access |
| Knowledge Creation and Dissemination | <ul style="list-style-type: none"> • Track and report economic and demographic trends • Seek new venues to publicize findings |

Figure 1: Goal and Action Plan Summary.

Human Capital

- Population in the Kenai Peninsula Borough, at 58,471 in 2010 according to the U.S. Census, is projected to grow slightly slower than the rest of the state, although LNG and other factors could result in significant population growth.
- Unincorporated communities with highway access, and in close proximity to commercial centers like Soldotna or Kenai show the highest rates of growth. Established cities like Seward, Homer, and Soldotna have grown at a slow-to-moderate pace, and several South Peninsula communities are losing population.
- The Borough shows low rates of in-migration. Most migrants moved to, or from, other parts of Alaska—predominantly Anchorage, the Matanuska-Susitna Valley, or the Fairbanks area.
- The population of the Kenai Peninsula Borough is aging faster than the rest of the state, as the “economically active” share, those aged 20 to 64, is smaller than the statewide average.
- Healthcare and social assistance is the largest employment sector, followed by retail trade, accommodation and food service, agriculture (fisheries), construction, and mining (oil and gas) according to US Census data.



- Employment in the region is spread widely across these sectors, giving the Borough a higher degree of diversification than almost any other part of the state.
- Despite having a relatively strong, diverse economy, unemployment rates are usually higher than the state average. For instance, in May 2019 the Borough's unemployment rate of 7.3% exceeded the state rate of 6.4% by almost one percentage point.¹

Geography

- The land mass of the Kenai Peninsula Borough is roughly the size of West Virginia. However, the Borough has only 3.7 residents per square mile. Waterways make up 8,741 square miles of the Borough.
- 99% of the population resides on the Peninsula itself, with the western part of the Borough being sparsely populated.
- The Kenai Peninsula Borough has many diverse climates. This can be seen by the numerous National Forest/Parks within or adjacent to the Kenai Peninsula Borough.

Community Development and Quality of Life

- In terms of cost of living, the Kenai Peninsula Borough has some of the least expensive housing costs in the state. The average Peninsula home sells for \$111,000 less than an average Anchorage home, and about \$13,000 less than an average Mat-Su home.
- Consumer goods ranging from groceries to gasoline are more expensive than either Anchorage or the Mat-Su, but residents often save enough on housing to achieve a lower overall cost of living.
- Low taxes and cost of living are the likely factors attracting retirees and seniors to the Borough from other parts of the state.

Infrastructure and Transportation

- Infrastructure in the Borough ranges from communities with highway access to those only accessible by air and water. Highway communities support the highest rates of population growth.
- The only communities currently on the Alaska Marine Highway System are Homer and Seldovia. Ferry service is a critical link for these cities.
- Average energy costs are low by state standards, but wide variation exists between communities with natural gas and those without.

Industry Analysis

- Using a location quotient (LQ) analysis, which measures employment concentration, economic sectors in the Borough were analyzed for their size and growth. Industries were then categorized as "Stars," "Mature," "Watch-list," "Challenged," or "Opportunity" industries.
- Star industries (high concentration, positive growth) include: healthcare and social assistance, real estate, government, and retail trade.
- Mature industries (high concentration, negative growth) include: accommodation and food services (tourism), agriculture (fishing), mining (oil and gas). These are the historic drivers of employment growth, although in some cases may face significant challenges, such as oil and gas.

¹ Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section



- *Watch-list industries* (high concentration, negative growth) include: manufacturing, and construction.
- *Challenged industries* (low concentration, negative growth) include: wholesale trade, and administrative services.
- *Opportunity industries* (low concentrations, positive growth) include: information, professional services, educational services, and financial services.
- Economic and demographic resiliency is analyzed in this document as well. The Kenai Peninsula Borough is highly diversified by Alaska standards, but still exposed to volatile national or international markets such as oil and gas, and fisheries. LNG presents enormous opportunities for future growth, but significant workforce gaps must be filled to take advantage of them.
- In terms of demographics, the Borough is facing low in-migration and an aging population. The region also has strengths to combat this, such as a low crime rate, and affordable energy and housing. “Placemaking” strategies to attract young families to these assets could be one approach.



SWOT Analysis

| | | |
|-----------------|---|---|
| Internal | <p style="text-align: center;">Strengths</p> <ol style="list-style-type: none"> 1. Increasing graduation rate combined with decrease in dropout rates. 2. Kenai Peninsula College and AVTEC's ability to prepare professional workforce. 3. Housing prices are lower than in Anchorage and the Mat-Su. 4. Third lowest crime rate per capita in Alaska (among 20 tracked Boroughs and census areas). 6. Large communities are accessible by road. 7. The region is accessible by road, air, and water transportation as well as rail service in Seward. 8. Diverse economic base spans tourism, oil and gas, fisheries, healthcare, and construction. 9. Three Alaska Small Business Development Center offices: Seward, Homer and Kenai. 10. Two large ice-free ports with Coast Guard presence, Homer and Seward. 11. Natural gas expanded in 2015 to additional communities. 12. Robust hospital and healthcare sector with many providers and specialists | <p style="text-align: center;">Weaknesses</p> <ol style="list-style-type: none"> 1. Aging population. 2. Economically active population (potential workforce) is shrinking. 3. Low in-migration. 4. Decreasing public school enrollment. 5. Higher prices than Anchorage and Mat-Su for groceries and gasoline. 6. In most communities in the region, the share of cost-burdened households is about 29 %. 7. Tourism sector's dependence on the Lower 48 / international economic situation. 8. Fishing sector's dependence on harvest quota and fluctuation in the number of fish. 9. Decrease in oil production resulting from low prices/supply. 10. Funding instability to Borough and education at state-level. |
| External | <p style="text-align: center;">Opportunities</p> <ol style="list-style-type: none"> 1. Increase in employment in oil and gas, construction, and healthcare sectors associated with Alaska LNG. 2. Infrastructure to be built for Alaska LNG in Nikiski. 3. Potential reopening of the Nutrien (previously Agrium) fertilizer plant. 3. The oil and gas industry has a higher than average income in the region, so with an increase in employment in this sector, average income in the region will increase as well. 4. There are several opportunity industries that show high growth rates in comparison with the state: professional and technical services, telecommunications, administrative and support services, and information services. 5. Borough agricultural land designation projects for small local farms. | <p style="text-align: center;">Threats</p> <ol style="list-style-type: none"> 1. Lost opportunities if Alaska LNG is not implemented. 2. Possible economic downturn in the Lower 48 / Internationally affecting tourism. 3. Further decrease in oil prices. 4. Uncertain economics of Alaska LNG. 5. Increase in salmon harvest limit in the region. 6. Seafood harvest subject to natural fluctuations. 7. There are several industries that are at risk: educational services, merchant wholesales (nondurable goods,) food manufacturing (including fish processing), general merchandise stores, arts, entertainment and recreation (part of tourism), heavy and civil engineering construction. 8. State and Borough funding for education, a key employer, is subject to cuts and changing tax policies in coming years. |



Resiliency Framework

A critical consideration for a statewide Comprehensive Economic Development Strategy is planning for the mitigation of unforeseen negative effects. These could potentially include natural disasters, effects from funding cutbacks, or downturns affecting particular sectors or the whole economy. Like any state or region, the Kenai Peninsula Borough has its own set of potentially negative events that could occur in the future. The goals of KPEDD's Comprehensive Economic Development Strategy have been developed with these in mind.

| Type of Event | Likely Economic Effects | Support Structure |
|---|--|---|
| Natural Disasters: Earthquakes, Tsunamis, Floods, Storms, Wildfires, Volcanoes | <ul style="list-style-type: none"> • Damage or inoperability of critical infrastructure • Inadequate local funds to rebuild • Dislocation of workforce • Temporary or permanent closure of business • Inability to deliver critical supplies to affected areas | <ul style="list-style-type: none"> • Emergency preparedness Addition on Sports Complex to provide shelter to affected families • Distribute BR&E disaster survey to assess damage to businesses and determine best assistance approach |
| Commodity Price Collapses: Fisheries, Oil and Gas, Minerals, Timber | <ul style="list-style-type: none"> • Loss of jobs and income in affected industry • Ripple effects to other businesses • Decline in local or State revenue, resulting in difficulty sustaining core services • Loss of population (Statewide or local areas) • Decline in tourism • Increased dependence on imports, reduced exports | <ul style="list-style-type: none"> • Develop a Workforce Preparedness Plan with City, education, and industry partners. • Support and promote other key industries which provide revenue for the region and State • Support Entrepreneurs through training seminars and individual assistance |
| Static or Failed Large Scale Projects: Loss of opportunity if LNG or Nutrien plans are not implemented | <ul style="list-style-type: none"> • Closing of support companies due to lack of opportunity from low oil prices • Job loss in Oil and Gas and support industries | <ul style="list-style-type: none"> • Discuss alternative plan for purchased land • Work with the Department of Labor to retrain current workforce in the affected fields. |
| Education Funding Cuts: Loss of programs for students in traditional degrees and skilled trades | <ul style="list-style-type: none"> • Further reduction of prepared workforce • Job loss in education sector | <ul style="list-style-type: none"> • Work with Workforce Panel to streamline training opportunities • Work with KPC, KPBSD, and AVTEC to educate and prepare student to enter the workforce |
| Subsistence Threats: Declines in fish or game populations, migratory changes, regulatory changes | <ul style="list-style-type: none"> • Loss of food source • Loss of cultural relevant livelihood | <ul style="list-style-type: none"> • Support Agriculture to increase food security • Support biologist-based management programs focused on sustainability and responsible resource management • Highlight non-fishing related tourism |

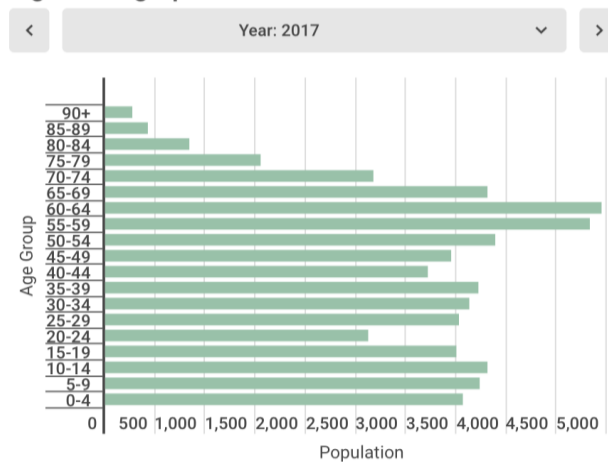


Population

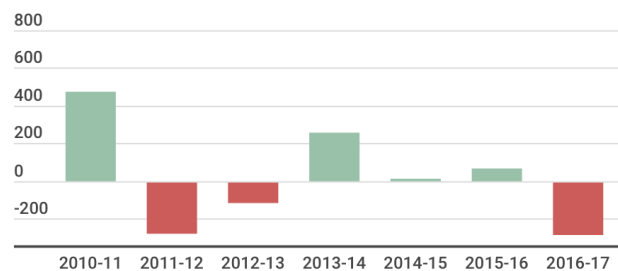
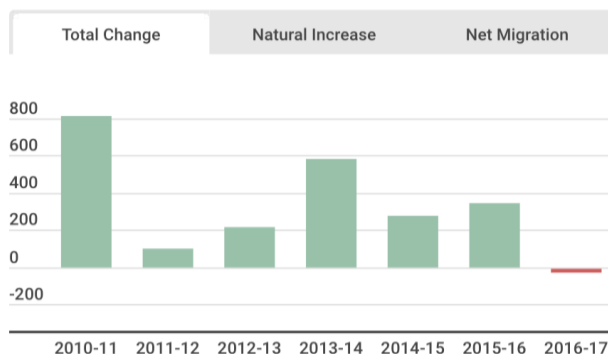
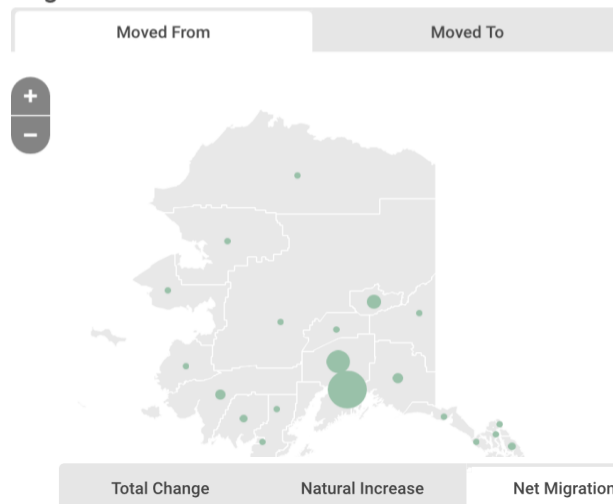
According to the Alaska Department of Labor and 2010 U.S. Census, the most recent estimated population of the Kenai Peninsula Borough is 58,471. The Alaska Department of Labor has projected a population increase of 672 people by July of 2020. Between 2016 and 2017, the Kenai Peninsula Borough population decreased by 25 people including both natural increase and net migration data. The Kalifornsky community has grown rapidly since 1990 with 2017 data listing 8,564 residents, surpassing that of Soldotna. Population growth projections fall closely with the rest of the State.

Residents ages 60 to 64 are the largest population group totaling 4,942 with 55 to 59 not far behind at 4,834 residents. Young residents entering the workforce between ages 20 to 24 total only 2,618, according to the Alaska Department of Labor. Although the Kenai Peninsula Borough is one of the most economically diverse regions in the Alaska, there is little racial diversity. According to the American Community Survey 2012-2016, 83% of the population is white, 7.5% are American Indian and Alaska Native, and the remaining 9.5% are another race.

Age demographics



Migration to and from the Kenai Peninsula



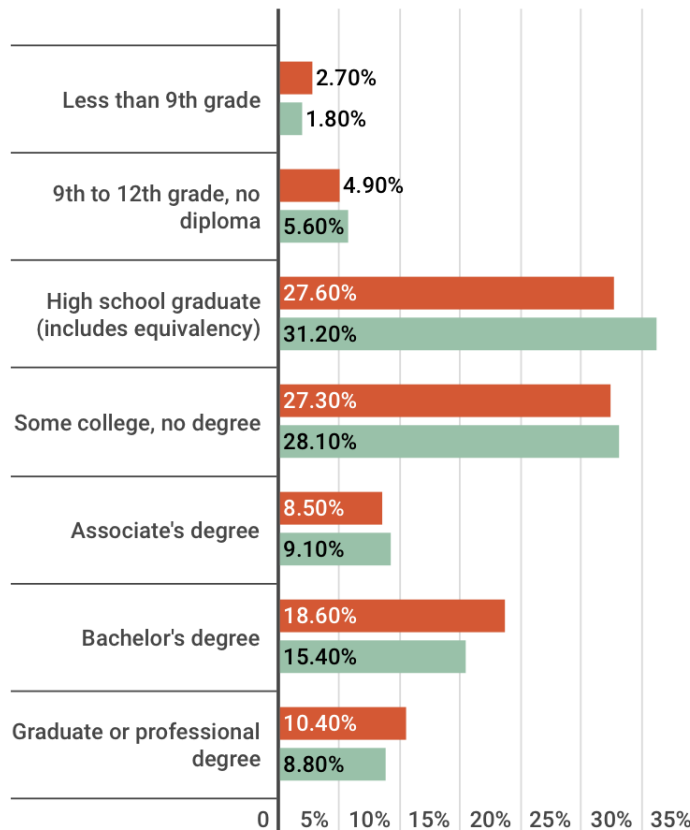
Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section



Workforce

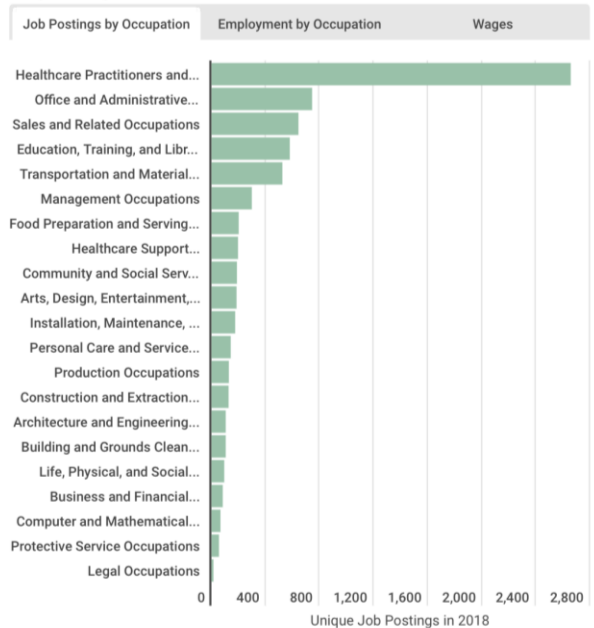
Employment grew slightly in 2018 after three years of decline. Since the recession began in 2015, job losses on the Peninsula have been less severe than the state as a whole. The Kenai Peninsula Borough unemployment rate was 7.3% for April 2019 compared to 8.3% in April of 2018. However, from 2015 to 2018, construction and natural resource (mainly oil and gas) employment fell the sharpest. Both seemed headed for recovery in 2018.

Trade, transport, and utilities was the largest Borough employer at 3,917 employees in 2018. However, professional and businesses services grew the most, adding 94 employees. Healthcare practitioners and technical occupations have the largest employment positions available at 2,658. The Kenai Peninsula Borough (shown in green below) continues to have a higher graduation rate than the state with 31.2% to 27.6% respectively.

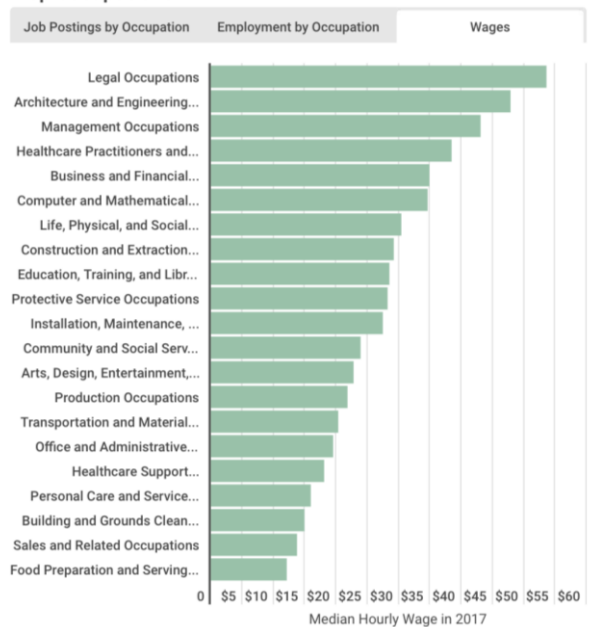


Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section, U.S. Census Bureau, American Community Survey (ACS), UAA Center for Economic Development, Emsi, Occupational Data

Top occupations



Top occupations



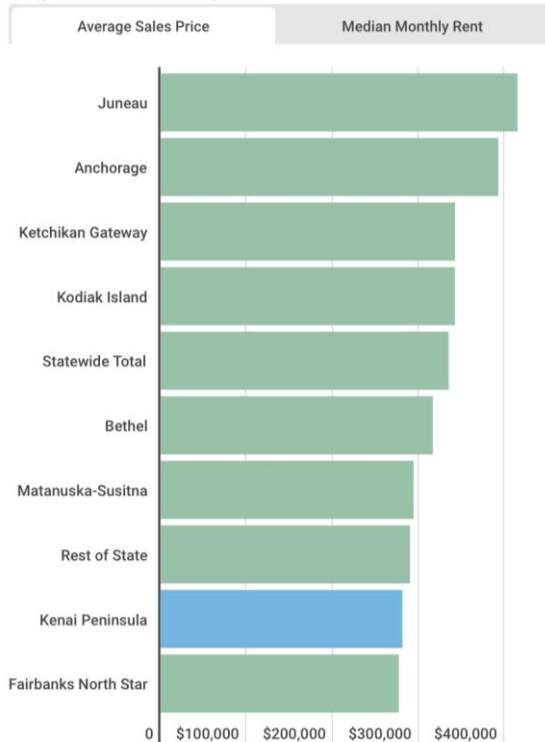
Housing Market

The average home sales price in \$281,219, which is \$111,360 less than that of Anchorage whose average home sales price is \$392,579. The statewide average home price was \$335,000 in 2018. The median monthly cost of rental housing on the Kenai Peninsula was \$987 compared to \$1,178 statewide. The Borough has the second lowest average home price of any area in the state with reliable data.

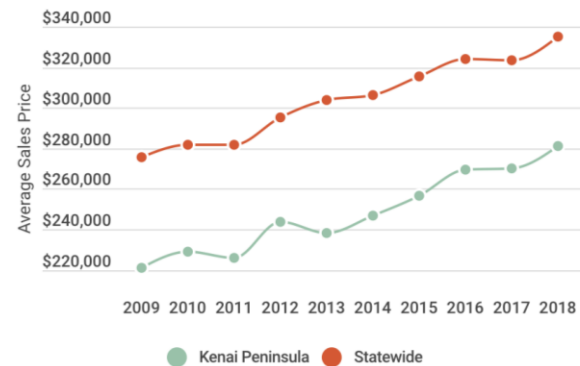
Within the Kenai Peninsula Borough, homes are most expensive in Homer, averaging \$290,916, and the Greater Kenai area homes are the least expensive, averaging \$219,741. Home prices have steadily risen along with the States over the past 10 years, despite the oil commodity price crash of 2016.

Housing Market

Regional Cost Comparison



Median Home Sales Price



Community Comparisons



Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Alaska Housing Finance Corporation, Alaska Multiple Listing Service, UAA Center for Economic Development



Tourism

2016 summer visitation from outside Alaska estimates for Seward were 441,000 visitors, more than double Homer, Seldovia, Kenai and Soldotna combined. In Seward, an average of 50% arrive by plane, 45% arrive by cruise ship, and 5% arrive by highway or ferry. In Homer and Seldovia, an average of 77% arrive by plane, 11% by cruise ship, and 12% by highway or ferry. A majority of visitors to Kenai and Soldotna arrive by plane at 87%, 4% by cruise ship and 8% by highway or ferry.

Cruise Ship Passengers



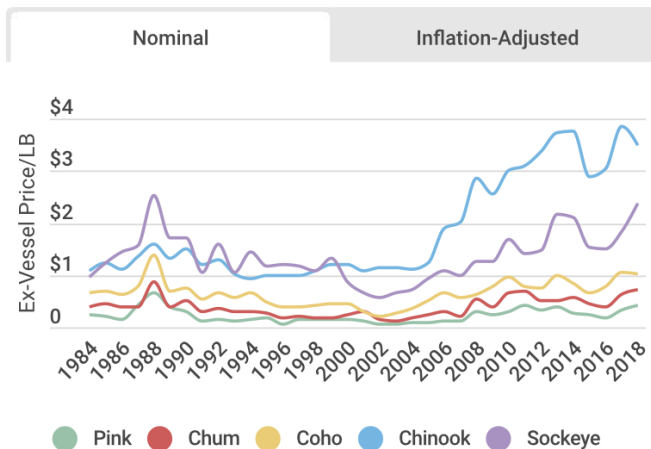
How they spend their money

| Average per-person amount spent in community on... | Seward | Kenai/Soldotna | Homer/Seldovia |
|--|--------------|----------------|----------------|
| Lodging | \$41 | \$85 | \$77 |
| Tours/activities/entertainment | \$67 | \$43 | \$81 |
| Gifts/souvenirs/clothing | \$13 | \$28 | \$26 |
| Food/beverage | \$32 | \$92 | \$61 |
| Rental cars/fuel/transportation | \$9 | \$38 | \$20 |
| Other | \$2 | \$81 | \$28 |
| Total spent in community per-person | \$164 | \$367 | \$294 |

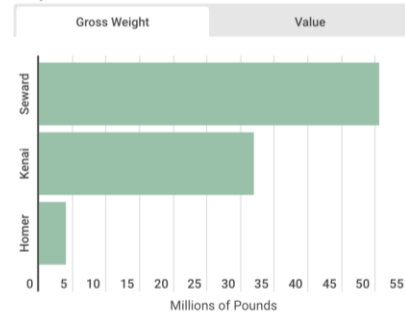
Commercial Fisheries

Three Kenai Peninsula ports rank among the top ports in the U.S. by value of seafood landings: Seward (15th), Kenai (37th), and Homer (68th). Adjusted for inflation, prices for pinks have declined since the 1980s. In constant dollars, sockeye prices in 2018 were about the same as in 1984. Sockeyes are the predominant commercial species in the upper Cook Inlet (which includes Seward) sees a larger catch of pinks as well as halibut and sablefish.

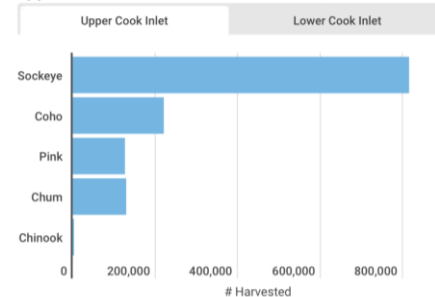
Historical Cook Inlet Salmon Prices



Top Kenai Peninsula Ports in 2017



Upper and Lower Cook Inlet Harvests, 2018



Sources: Alaska Department of Commerce, Community & Economic Development, UAA Center for Economic Development, McDowell Group, Alaska Visitor Statistics Program, Alaska Department of Fish & Game, NOAA Fisheries, Commercial Fisheries Entry Commission

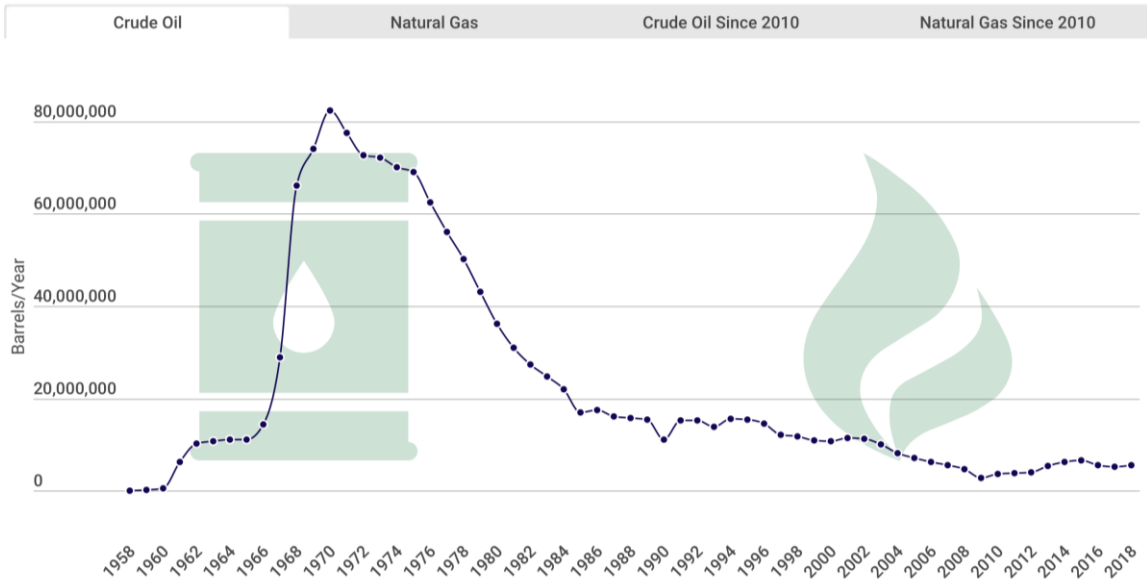


Oil and Natural Gas

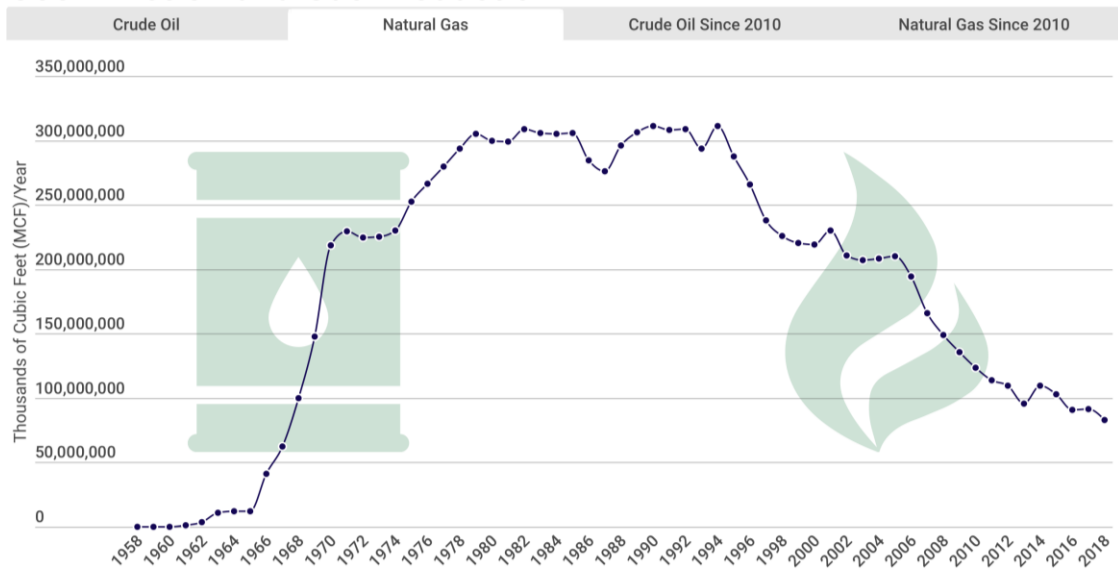
2018 crude oil production reached 5,606,827 barrels per year, an increase by 366,542 barrels from 2017. According to the Alaska Oil and Gas Association and the U.S. Energy Information Administration, Alaska was ranked 6th in U.S. production between August 2018 through January 2019 for production behind Texas, North Dakota, New Mexico, Oklahoma, Colorado, and California respectively.

Natural gas production has declined from 91,152,710 thousand cubic feet per year in 2017 to 83,109,956 thousand cubic feet in 2018.

Cook Inlet Oil and Gas Production



Cook Inlet Oil and Gas Production



Source: Alaska Oil & Gas Conservation Commission



Action Plan

* (Green) Completed Priorities * (Orange) FY2020 Priorities

| Goal 1.0 Regional Partnerships: <i>Foster renewed collaboration between municipalities, tribes, chambers, and industry groups across the Kenai Peninsula Borough to build on the region's comparative economic advantages, especially for its key current and emerging industries.</i> | | | |
|---|---|---|--|
| Objective | Strategies and Actions | Metrics/Impacts | Key Partners |
| 1.1. Coordinate economic development activities with industry associations such as those representing fisheries, tourism, oil and gas, as well as chambers of commerce at the community level. | <ul style="list-style-type: none"> Sign memoranda of understanding (MOU's) with industry groups and chambers of commerce Assist in hosting industry appreciation days (ongoing)- \$7,000 Organize and host Industry Outlook Forum (ongoing) - \$5,000 Combat duplication of community efforts from one community to the next | <ul style="list-style-type: none"> MOU's negotiated and signed Industry appreciation events held Industry Outlook Forum delivered & attendance Disseminate data highlighting benefits of local key employers New data reports produced | <ul style="list-style-type: none"> Kenai Peninsula Tourism Marketing Committee (KPTMC) Cook Inlet Aquaculture Association (CIAA) Other fisheries groups Oil and gas representatives Chambers Tribes Kenai Peninsula Borough Kenai Peninsula Municipalities Kenai Peninsula Lending Institutions Alaska Small Business Development Center |
| 1.2 Improve and coordinate economic development planning efforts among municipalities and communities. | <ul style="list-style-type: none"> Initiate & host quarterly city manager meetings Initiate forum for communities to better communicate, ensuring inclusion of unincorporated communities Promote collaboration of regional organizations by providing relevant information to each Ensure board representation from all sub-regions of Borough Update website | <ul style="list-style-type: none"> Number of municipal meetings held Dollar value of public and private investment, including in-kind Solutions produced / Problems resolved | <ul style="list-style-type: none"> Community subsidized associations Municipalities Borough Unincorporated Areas Alaska Small Business Development Center |



Goal 2.0 Infrastructure and Technology: *Actively promote infrastructure and technology development to lay a foundation for economic growth within the Kenai Peninsula Borough.*

| Objective | Strategies and Actions | Metrics/Impacts | Key Partners |
|--|---|---|--|
| 2.1 Advance infrastructure development projects (airport, harbors, roads, etc.) targeted towards improving efficiencies for specific industries, including tourism, fisheries, and maritime. | <ul style="list-style-type: none"> Assess industry needs by hosting listening sessions and community dialogs (ongoing) Develop inventory of maritime, tourism, and fisheries-related infrastructure projects Locate public and private investment to support development Advocate for new recreational areas and trails Create airport authority (ongoing) | <ul style="list-style-type: none"> Dollar value of public and private investment New jobs created Information shared | <ul style="list-style-type: none"> Kenai Peninsula Borough Municipalities Fisheries groups Tribes Airport and Harbor Commissions Alaska Railroad, U.S. Coast Guard, State of Alaska, Commercial air carriers Alaska Salmon Fellows |
| 2.2 Seek improvements to transportation infrastructure. | <ul style="list-style-type: none"> Assess economic impacts of planned highway improvements Assess impacts of changes in Alaska Marine Highway service Educate policymakers and the public on traffic and transportation needs associated with large-scale development (i.e. LNG) | <ul style="list-style-type: none"> Traffic counts Accident data Strategic plan agreed upon by local transportation committee Resources shared to affected communities | <ul style="list-style-type: none"> Alaska Department of Transportation and Public Facilities Kenai Peninsula Borough Local Transportation Committee Marine Highway Committee |
| 2.3 Expand access to broadband for schools, colleges, and commercial enterprises. | <ul style="list-style-type: none"> Work with funding agencies and service providers to increase awareness of benefits Make broadband data map available to the public Host discussions with providers addressing community needs | <ul style="list-style-type: none"> Dollar value of public and private investment Average broadband speed Percentage of households with access to broadband Percentage of customer related businesses providing WIFI | <ul style="list-style-type: none"> Telecom and internet service providers Federal and state funders Municipalities Borough Kenai Peninsula Tourism Marketing Council |



| Goal 3.0 Workforce and Human Capital: <i>Expand the skillsets of Borough residents to fill high-demand jobs and retain talent in the region.</i> | | | |
|--|---|--|--|
| Objective | Strategies and Actions | Metrics/Impacts | Key Partners |
| 3.1 Facilitate cooperation between major employers and vocational-technical programs to improve the job-readiness of the Borough's labor force. | <ul style="list-style-type: none"> Identify gaps in the labor market using data from <i>Situations and Prospects</i> and BR&E surveys Partner with Borough, Cities, Tribes, educational groups and industry leaders Educate policymakers and the public on workforce needs | <ul style="list-style-type: none"> Number of improved or new degree or certificate programs developed Number of recent graduates employed High school dropout rate decrease Consolidation and alignment of similar programs Workforce Preparedness Plan developed | <ul style="list-style-type: none"> Municipalities Tribes Post-Secondary and Industry Association (i.e. the Alliance) AVTEC Kenai Peninsula College Alaska Workforce Investment Board Alaska Department of Labor and Workforce Development KPBSD Vocational Technical Program Industry Leaders |
| 3.2 Support programming to attract and retain a professional workforce. | <ul style="list-style-type: none"> Retraining programs for workers dislocated by layoffs in oil and gas, government, construction etc. Develop and Implement Youth Training Program for certifications to retain workforce Attract workforce by promoting the Kenai Peninsula. | <ul style="list-style-type: none"> Workforce Planning funding identified Website changes focused on marketing to businesses and relocations for families Data collected & disseminated Partners participated Program participants | <ul style="list-style-type: none"> Municipalities Tribes Educational Groups Industry Leaders Chambers Central Peninsula General Hospital Peninsula Community Health Services Seward Hospital South Peninsula Hospital Kenai Future Professionals Job Shadow Alaska Dept. of Labor Amundsen Educational Center |



| Goal 4.0 Business Climate and Entrepreneurship: <i>Enhance Borough-wide entrepreneurship ecosystem and business climate.</i> | | | |
|---|---|--|--|
| Objective | Strategies and Actions | Metrics/Impacts | Key Partners |
| 4.1 Support health and resiliency of regional businesses through business retention and expansion disaster planning initiative. | <ul style="list-style-type: none"> Distribute BR&E disaster survey to assess emergency preparedness of Borough-wide businesses Act as broker between businesses and services, such as voc-tech and Small Business Development Center | <ul style="list-style-type: none"> Number of surveys Distributed/ Participants Number of businesses provided with assistance Number of businesses reporting favorable views of business climate | <ul style="list-style-type: none"> Municipalities Chambers Small Business Development Center AVTEC Kenai Peninsula College Alaska Workforce Investment Board Alaska Department of Labor and Workforce Development |
| 4.2 Promote economic opportunities resulting from responsible development of natural resources. | <ul style="list-style-type: none"> Continue engagement of oil and gas sector Educate public on economic benefits of oil, gas, mining, fishing and timber Spruce Bark Beetle & Fire Mitigation Plan | <ul style="list-style-type: none"> Value of new private investment Hosted discussions to encourage growth and partnership | <ul style="list-style-type: none"> Oil and gas industry Mining Fishing Farming |
| 4.3 Develop new, and strengthen existing, services and support systems for entrepreneurs. | <ul style="list-style-type: none"> Identify barriers to entrepreneurship Evaluate role of legacy programs such as KPEDD microloan and incubator Assess new programming such as business plan competitions, angel investment, technical assistance Develop networking events & training seminars for entrepreneurs Share funding opportunities provided by State and Federal agencies | <ul style="list-style-type: none"> New programs launched Number of events held Number of start-ups Amount of funding received Number of assisted businesses who receive funding from identified sources | <ul style="list-style-type: none"> Small Business Development Center Center for Economic Development US Department of Agriculture Kenai Young Professionals Local businesses and city economic dev. departments Department of Commerce, Community and Economic Development |



| Goal 5.0 Quality of Place: <i>Enhance the quality of life and recreational opportunities in the Kenai Peninsula Borough to retain and attract residents and visitors.</i> | | | |
|---|---|--|--|
| Objective | Strategies and Actions | Metrics/Impacts | Key Partners |
| 5.1 Development of a strong Kenai Peninsula “brand” as a quality place to live and visit. Strategies build on the comparative advantages of accessibility, cultural, and natural resources. | <ul style="list-style-type: none"> • Link and align community-level branding efforts into a stronger brand, & cohesive message • Partner with KPTMC to amplify tourism marketing efforts • Build up marketing platforms such as social media and newsletters • Publicize quality of life factors like low cost of living, low crime rate, good schools • Upgrade website to better compete with stronger EDOs. | <ul style="list-style-type: none"> • Number of new visitors • Number of new residents • Sales tax revenue | <ul style="list-style-type: none"> • Kenai Peninsula Tourism Marketing Council • Chambers • Municipalities |
| 5.2 Promote expansion of recreational trails, facilities and public access. | <ul style="list-style-type: none"> • Educate the public and policymakers on the benefits of new recreational trails, facilities, public access, and public lands • Support large community facility expansions | <ul style="list-style-type: none"> • New recreation development initiated • Community participation | <ul style="list-style-type: none"> • Kenai Peninsula Tourism Marketing Council • Chambers • Parks and Rec. Commission • Cities |



| Goal 6.0 Knowledge Creation and Dissemination: Lead the region in the analysis, and dissemination of economic and demographic data to educate the public and policymakers. | | | |
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| Objective | Strategies and Actions | Metrics/Impacts | Key Partners |
| 6.1 Generate and disseminate economic and demographic data geared towards businesses, decision makers, and communities. | <ul style="list-style-type: none"> • Provide un-biased, objective data to policy makers, industries, and interested parties • Listen to needs of communities to identify data and information gaps • Field requests to engage in industry-based information dissemination | <ul style="list-style-type: none"> • Number of new reports • Supply data focused on benefits stakeholders in community | <ul style="list-style-type: none"> • Kenai Peninsula Borough • Chambers • Municipalities • Lending firms |
| 6.2 Develop and strengthen avenues for sharing and disseminating data and analysis. | <ul style="list-style-type: none"> • Support the 2020 Census by creating a Complete Count Committee • Continue annual publication of <i>Situation and Prospects</i> report (ongoing) • Provide info on major economic indicators annually via the Industry Outlook Forum (ongoing) • Continue to develop and refine website as data sharing portal - \$6,000 • Media releases • Share quarterly reports on changes in demographics, employment trends, wages and industry snapshots | <ul style="list-style-type: none"> • Number of web hits /downloads of reports • Number of attendees at Industry Outlook Forum • Number of communities visited • Number of media releases • Increase 2020 Census participation rates | <ul style="list-style-type: none"> • U.S. Census • Kenai Peninsula Borough • Chambers • Municipalities • Anchorage Economic Development Council • JobsEQ • Census • State of Alaska |



FY2019 Comprehensive Economic Development Strategy Partners



State of Alaska, Dept. Commerce, Community & Economic Development
State of Alaska, Dept. of Labor & Workforce Development
Kenai Peninsula Borough
The Cities of Kenai, Soldotna, Homer, Seward & Seldovia

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